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GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
LANSING



STEVEN E. CHESTER  
DIRECTOR

September 16, 2008

Mr. Mark Durno  
U.S. Environmental Protection Agency  
Emergency Response Program  
25089 Center Ridge Road  
West Lake, OH 44145-4170

EPA Region 5 Records Ctr.



331034

Dear: Mr. Durno

SUBJECT: Request for Assistance, DSC Gibraltar

The Michigan Department of Environmental Quality (MDEQ) requests assistance from the United States Environmental Protection Agency (USEPA) to prevent a release from the DSC Ltd facility in Gibraltar, Michigan. The MDEQ believes that a release of oil or wastewater from this facility could cause natural resource damage and pose a threat to public health. The MDEQ appreciated the opportunity to discuss this situation with Mr. Brian Schlieger, USEPA, on September 4, 2008.

The following is a brief explanation of the current status of the facility and the associated environmental hazards.

DSC Ltd. acquired the property at 28000 River Road, Gibraltar from the bankrupt estate of McLouth Steel in 1996. Currently, the facility consists of two closed landfill cells with a leachate collection and treatment system and a remediation area known as the Tandem Mill Pond. On August 14, 2008, Mr. Michael Wilkinson, President of DSC Ltd., verbally notified the MDEQ that the company lacks the financial resources to continue operating the treatment system and will stop the treating of leachate sometime in the next month.

The leachate collection system includes two leachate wet wells and pumps equipped with floats. Currently, the floats do not work, requiring manual activation of the pumps. Leachate breakthroughs will occur without proper operation of the pumps. One of the landfill cells is adjacent to Jefferson Avenue and uncontrolled leachate breakthroughs may result in public contact with the leachate. If left uncontrolled, leachate breakthroughs could also reach the Frank & Poet Drain.

The leachate treatment system consists of four ponds and a pH adjustment station. Treated wastewater was previously discharged to the Frank & Poet Drain under a National Pollutant Discharge Elimination System (NPDES) permit. Without proper operation of the treatment system the ponds may overflow into an adjacent ditch that leads to the Frank & Poet Drain. The first pond contains untreated leachate with a pH of 11-12 S.U. and levels of ammonia and phenols which are toxic to aquatic life. The pond currently has less than one foot of freeboard. Discharges from the final treatment

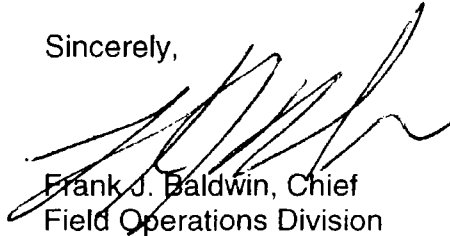
pond have often violated NPDES permit limits for Chronic and Acute Whole Effluent Toxicity when the wastewater did not receive adequate aeration prior to discharge. The facility's NPDES permit was revoked by the MDEQ due to nonpayment of permit fees and accordingly any discharge from this facility is unauthorized by NPDES permit or state permit.

Under McLouth Steel, the Tandem Mill Pond (TMP) was used for treatment of wastewater generated from the adjacent steel mill (now owned by a separate entity). DSC Ltd. assumed clean-up responsibility for the TMP when they purchased the property. DSC Ltd. began closure activities but stopped all activity in the area several years ago due to lack of funds. The TMP now consists of multiple smaller cells, some of which have not yet been remediated and contain oily water and soils. Water levels in these smaller ponds are very high and water could overflow into the leachate treatment system or into the ditch that leads to the Frank & Poet drain, leading to a release of oil to the drain. Additionally, these open sources of oil pose a threat to wildlife. The facility is adjacent to the Detroit International Wildlife Refuge and birds have been oiled at the facility in the past.

In the event that DSC Ltd. stops operating the facility as indicated, the MDEQ does not have sufficient funds to undertake any action to prevent a release of oil or leachate to the environment. Available funding for our cleanup program is nearly exhausted and all available monies are committed to existing high-priority projects. MDEQ requests USEPA's assistance in devising and implementing a long-term solution to address this ongoing environmental threat.

The MDEQ appreciates the opportunity to work with the USEPA to address this issue. Please contact Ms. Tracy Kecskemeti in our Southeast Michigan District Office, at 586-753-3777, if you require any additional information.

Sincerely,



Frank J. Baldwin, Chief  
Field Operations Division  
Water Bureau  
517-335-4171

cc: Mr. Jim Beaubien, Mayor, City of Gibraltar  
Mr. Jim Sygo, Deputy Director, MDEQ  
Mr. William Creal, MDEQ  
Mr. George Bruchmann, MDEQ  
Mr. Andrew Hogarth, MDEQ  
Mr. Peter Ostlund, MDEQ  
Ms. Tracy Kecskemeti, MDEQ